
INTEROFFICE MEMO

DATE: 8/2/2004
TO: BOARD OF SELECTMEN
CC: SHARON SUMMERS & BILL RYAN
FROM: JOHN MURRAY *John*
RE: CLASSIFICATION HEARING

On or about March 8, 2004, the Regional Schools certified to the Town the amount of debt service excluded from Proposition 2 1/2 contained in the FY '04 Regional Budget as \$902,412.20 (\$362,087.30+\$540,324.90) (please see Exhibit #1). On or about March 8, 2004, the Town taxed \$902,412.20 (\$359,605.26 plus the FY'03 adjustment of \$2,482.17 minus the FY' 02 adjustment of 13 cents plus \$519,648.55 plus the FY'02 adjustment of \$20,676 plus the FY'03 adjustment of 35 cents) (please see Exhibit #2). The certification received today from the Region states we should have only raised \$647,010 in Regional Debt Exclusions for FY'04, which means we over taxed the citizens \$255,402.20 for Regional Debt Exclusions in FY '04 (please see page 3 of Exhibit 3).

If you examine the form of the Tax Recap Sheet for Debt Exclusions (Exhibit 2), you will note that a community must reconcile the estimate contained in the previous year's recap in the current year. In conversations with DOR in FY '02, DOR stated Regional Schools may reconcile Debt Exclusions over a two year period rather than a one year period. As such the necessary \$255,402.20 reduction in taxation can be accounted for in FY '06 rather than FY'05. Given the constraints of this year's recap we have selected the FY '06 option.

Peter please note:

Based solely upon the input of the Regional Schools received today (without review of the underlying theory by Town Staff), please adjust the FY '06 ALG Plan accordingly:

Adjust the amount of Regional Debt Exclusions for FY'06 in the ALG Plan by reducing the expected amount (net of any other adjustments) to be incurred, which I assume is the present amount noted in the ALG plan by \$255,402.20.

The sum total of this adjustment increases the current FY '06 deficit by \$255,402.20

Exhibit 2
page 1 of 1

Acton-Boxborough Regional School District
Junior High School /Senior High School Building Projects
Acton Share

| Year | Project | Orig Est | Actual | Variance | Amt Excl Recap | Variance |
|------|-------------|------------|---------------|--------------|-------------------|----------------|
| 2002 | Junior High | \$ 736,311 | \$ 736,311.13 | \$ (0.13) | \$ 736,311.00 | \$ 0.13 |
| 2002 | Senior High | \$ 124,056 | \$ 103,380.00 | \$ 20,676.00 | \$ 124,056.00 | \$ (20,676.00) |
| 2003 | Junior High | \$ 446,678 | \$ 444,195.83 | \$ 2,482.17 | \$ 446,678.00 | \$ (2,482.17) |
| 2003 | Senior High | \$ 423,226 | \$ 423,225.65 | \$ 0.35 | \$ 423,226.00 | \$ (0.35) |
| 2004 | Junior High | \$ 362,088 | \$ 362,087.30 | \$ 0.42 | \$ 362,088.00 | \$ (0.70) |
| 2004 | Senior High | \$ 540,325 | \$ 540,324.90 | \$ - | \$ 540,325.00 | \$ (0.10) |
| | | | | | | \$ (23,159.19) |

In my capacity as Treasurer of the Acton-Boxborough Regional School District, I certify that the correct amount of Excluded Regional School Debt to be added to the Acton FY04 Tax Levy is 879,253.81 in accordance with the above summation.

Sharon L. Summers 3/8/04

**BUREAU OF ACCOUNTS
SCHEDULE DE-I
DEBT EXCLUSION FORM**

ACION

City/Town/District

| (A) BALLOT VOTE DATE | (B) PURPOSE(S) OF EXCLUSION VOTE | (C) DATE OF ORIGINAL ISSUANCE NOTE/BOND PER PURPOSES | (D) TEMP OR PERM (T/P) | (E) FY2003 NET EXCLUDED DEBT SERVICE | (F) FY2003 GROSS DEBT SERVICE EXPENDED | (G) FY2004 GROSS DEBT SERVICE EXCLUDABLE | (H) REIMBURSEMENTS/ ADJUSTMENTS | FY2004 NET EXCLUDED DEBT SERVICE |
|--|--|--|------------------------------------|--|--|--|---------------------------------------|---|
| 5/1/98 | GOB | 5/1/98 | PERM | 643,650.00 | 643,650.00 | 586,012.50 | - | 586,012.50 |
| 2/1/03 | Twin School | 12/8/98 | PERM | 427,000.00 | 427,000.00 | 1,567,385.00 | 1,085,577.00 | 481,808.00 |
| 12/8/98 | JR HIGH | 12/8/98 | TEMP | 448,678.00 | 444,195.83 | 362,088.00 | 2,482.74 | 369,605.26 |
| 11/20/00 | SR HIGH | 11/20/00 | TEMP | 423,225.00 | 423,225.85 | 540,325.00 | 20,676.45 | 519,648.55 |
| 10/15/02 | Public Safety | 3/5/03 | TEMP | | | 32,400.00 | | 32,400.00 |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| REIMBURSEMENTS: School Building Assistance, Library Construction Grants etc. | | | | | | | | |
| ADJUSTMENTS: prior year interest not included, rate or term different than estimate | | | | | | | | |
| SUBTOTAL | | | | | | | | 1,979,474.31 |

Stephen A. Bonetti CPA/Town Accountant 3/8/2004
 Name/Title Date

* The Acton-Boxborough Regional School District had a variance of 20,676.00 from FY02, .35 variance in FY03 and a .10 variance for FY04.

Exhibit 3
pg 1 of 3

John Murray

From: Sharon Summers
Sent: Wednesday, November 24, 2004 1:46 PM
To: John Murray
Cc: Bill Ryan
Subject: FY04 and FY03 Debt Exclusion Information

John,

Enclosed are spreadsheets for the FY04 and FY03 debt exclusion, as you requested.

Tess

11/24/2004

**Acton-Boxborough Regional School District
Debt Exclusion FY03**

| <i>Fiscal Year</i> | <i>Total Outside Debt Limit</i> | <i>Acton Share</i> | <i>Boxborough Share</i> |
|----------------------------------|-------------------------------------|------------------------|-----------------------------|
| FY03 | 100% | 85.52% | 14.48% |
| Junior High Construction | \$519,406 | \$444,196 | \$75,210 |
| Amount to be Excluded | <u>\$519,406</u> | <u>\$444,196</u> | <u>\$75,210</u> |
| Senior High Construction* | \$494,885 | \$423,226 | \$71,659 |
| Amount to be Excluded | <u>\$494,885</u> | <u>\$423,226</u> | <u>\$71,659</u> |
| Total Amount to be Excluded | \$1,014,291 | \$867,421 | \$146,869 |

*Actual payment was \$601,639, reduced by \$106,754 premium offset.

**Acton-Boxborough Regional School District
Debt Exclusion FY04**

| <i>Fiscal Year</i> | <i>Total Outside Debt Limit</i> | <i>Acton Share</i> | <i>Boxborough Share</i> |
|-------------------------------------|-------------------------------------|------------------------|-----------------------------|
| FY04 | 100% | 84.73% | 15.27% |
| Junior High Construction | \$427,343 | \$362,088 | \$65,255 |
| Less Premium Offset | (\$268,436) | (\$227,446) | (\$40,990) |
| Amount to be Excluded | <u>\$158,907</u> | <u>\$134,642</u> | <u>\$24,265</u> |
| Senior High Construction | \$1,136,153 | \$962,662 | \$173,491 |
| Less Premium Offset | (\$505,183) | (\$428,042) | (\$77,141) |
| Less Debt Excl Res* | (\$25,829) | (\$22,252) | (\$3,577) |
| Amount to be Excluded | <u>\$605,141</u> | <u>\$512,368</u> | <u>\$92,773</u> |
| Total Amount to be Excluded | \$764,048 | \$647,010 | \$117,038 |

*FY02 share

In accordance with March 15, 2004 Revised Assessment. The Department of Revenue required that gross outside debt limit amount be included in budget and be offset by bond premiums as a revenue source. In previous years the budget was reduced by the premium amount.

Exhibit 4
page 1 of 1**John Murray**

From: John Murray
Sent: Wednesday, November 24, 2004 2:44 PM
To: Sharon Summers
Cc: Bill Ryan
Subject: RE: FY04 and FY03 Debt Exclusion Information

Tess,

The numbers you provided appear to be budgetary numbers not actuals. Could you please confirm they are actuals. Thanks

John

From: Sharon Summers
Sent: Wednesday, November 24, 2004 1:46 PM
To: John Murray
Cc: Bill Ryan
Subject: FY04 and FY03 Debt Exclusion Information

John,

Enclosed are spreadsheets for the FY04 and FY03 debt exclusion, as you requested.

Tess

11/24/2004

John Murray

From: Sharon Summers
Sent: Wednesday, November 24, 2004 3:07 PM
To: John Murray
Cc: Bill Ryan
Subject: Re: FY04 and FY03 Debt Exclusion Information

They are actuals!

Tess

Sharon "Tess" Summers
Director of Finance
Acton/Acton-Boxborough Regional School District
(978) 264-4700 X3205
tess_summers@mail.ab.mec.edu

11/24/2004

John Murray

From: Stephen Barrett
Sent: Friday, November 05, 2004 4:03 PM
To: Sharon Summers
Cc: Brian McMullen; Karen Kucala; John Murray
Subject: RE: FY 2005 Tax Recap
Importance: High

Tess:

We need the reconciliation in the same format that you did last year. I can send you the DE-1 but that's not all we need.

-----Original Message-----

From: Sharon Summers
Sent: Friday, November 05, 2004 4:01 PM
To: Stephen Barrett
Cc: Brian McMullen; Karen Kucala
Subject: Re: FY 2005 Tax Recap

Steve,

Please send me a copy of the form that needs to be completed.

Thank you,
Tess

11/24/2004